FISCAL NOTE

HB 984 - SB 1324

April 26, 1999

SUMMARY OF BILL: Prohibits contracts with TennCare behavioral health organizations (BHOs) for the provision of services to the priority population, defined as those suffering from severe, disabling mental illness. Existing contracts with BHOs would terminate on December 31, 1999. Existing contracts with MCOs would be modified or new contracts created so that the MCOs would provide such mental health services.

ESTIMATED FISCAL IMPACT:

MINIMAL

Assumes that TennCare managed care organizations could deliver mental health services, or sub-contract to deliver services covered by the bill, at approximately the same capitation rates as currently paid to the behavioral health organizations. Funding for mental health services covered by the bill are capped at a specified level under the wavier agreement with HCFA.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James A. Davenport, Executive Director

James a. Lovenget